UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11**
ENRON CORP., et al.,	:	**Case No. 01-16034 (AJG)**
	:	**Jointly Administered**
Debtors.	:	

ORDER ON MOTIONS OF THE EDO CREDITORS, MEMBERS OF THE VANGUARD GROUP AND BEAR STEARNS & COMPANY, INC. FOR TEMPORARY ALLOWANCE OF CLAIMS FOR VOTING PURPOSES AND THE JOINDER OF THE BANK OF NEW YORK THERETO

Before the Court is the Motion of EDO Creditors ("EDO") For an Order Pursuant to 11 USC Section 1126 and Federal Rules of Bankruptcy Procedure 3018 Granting Temporary Allowance of Claims for Voting Purposes (Docket No. 16313), the Motion of Members of the Vanguard Group and Bear Stearns & Company, Inc. (collectively, "Vanguard") for Temporary Allowance of Claims for Voting Purposes Pursuant to Bankruptcy Rule 3018 (Docket No. 16295), the Joinder of the Bank of New York as Indenture Trustee and on Behalf of Noteholders ("BONY" and together with EDO and Vanguard, the "Creditors") (Docket No. 16245, collectively, the "Motions") and the Debtors Response in Opposition to the Motions having been filed (the "Response", Docket No. 17259), and the Court having entered (i) an Order (I) Approving the Disclosure Statement for Fifth Amended Joint Plan of Affiliated Debtors; (II) Setting a Record Date for Voting Purposes; (III) Approving Solicitation Packages and Procedures for Distribution Thereof; (IV) Approving Forms of Ballots and Establishing Procedures for Tabulation of the Vote of the Fifth Amended Joint Plan of Affiliated Debtors; (V) Scheduling a Hearing and Establishing

Notice and Objection Procedures in Respect of Confirmation of the Fifth Amended Joint Plan of Affiliated Debtors (the "Disclosure Statement Order", Docket No. 15303), and (ii) an Order Establishing Voting Procedures in Connection with the Plan Process and Temporary Allowance of Claims Procedures Related Thereto (the "Voting Procedures Order", Docket No. 15296); and due notice of the hearing on the Motions and Response having been given to all parties in interest in accordance with the Bankruptcy Code and the Bankruptcy Rules, and it appearing that no other or further notice need be given; and the hearing on the Motions having been held by the Court on March 31, 2004 (the "Hearing"); and the appearances of all interested parties having been noted in the record of the Hearing; and after full consideration of the issues raised by the Motions and the Response; and upon the arguments of counsel and all of the evidence adduced at the Hearing, and after due deliberation and sufficient cause appearing therefor, and after the Court's recitation on the record of its decision on the Motions, which is incorporated herein, at a properly noticed and conducted hearing on May 24, 2004 (the "Recitation of Decision");

It hereby is DETERMINED, FOUND AND ORDERED as follows:

1. The Creditors have not satisfied their burden regarding the relief requested in the Motions.

2. The Creditors' claims are temporarily allowed for purposes of voting in the amount of zero dollars.

3. Upon (a) satisfaction by the Court that the Creditors have posted bond or cash-equivalent collateral in the amount of $350 million to secure the Debtors' interests in the avoidance claims against Citigroup, Inc. and its subsidiaries and affiliates in the MegaClaim Litigation, and (b) the CLN Noteholders request that the Court reconsider the

Motions, the Court will then rule upon the issue of whether equitable subordination constitutes an objection to a claim.

4. In order to obtain a hearing on the Motions as provided in the preceding paragraph, the Creditors must post the required bond or cash-equivalent collateral, to the Court's satisfaction, and make the request for reconsideration of the Motions on or before May 27, 2004, except as otherwise provided in the Adjustment Order, as amended.

Dated: New York, New York
May 27, 2004

/s/ Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE